



Montgomery County Council

For Immediate Release

February 12, 2002

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Change would put most vulnerable families at risk to lose health coverage...

COUNCIL OPPOSES BID BY CAREFIRST TO SELL TO OUT-OF-STATE, FOR-PROFIT COMPANY

The Montgomery County Council yesterday added its voice to the growing chorus of Marylanders voicing opposition to plans by Maryland's non-profit CareFirst health insurer – the state's largest – to sell out to WellPoint Health Networks, Inc., a for-profit entity.

"This move should be decisively rejected," said Councilmember Blair Ewing, testifying at a hearing held by the State Insurance Commissioner last night in Rockville. "It would surely reduce coverage for the poor and for others at high risk, and would surely result in higher costs to the County because many who lost insurance would turn to the County for help."

"We see evidence of rising numbers of poor, low income working families who now cannot afford health insurance. This proposed merger would almost surely add to their numbers and offer them no hope for the future of affordable health care.

"CareFirst, which is Blue Cross/Blue Shield of Maryland, District of Columbia, Delaware and Northern Virginia, has been a major provider of health insurance since 1937, offering the possibility of relatively low cost health care for tens of thousands of people.

"CareFirst has had a record until now of providing maximum care for the lowest price. It has been a carrier of last resort for the most needy and vulnerable of our citizens, for those who have pre-existing medical conditions, for those who
(more...)

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cannot get health insurance coverage in the for-profit commercial world. And that would surely change for the worse.

“CareFirst has received enormous tax breaks because of its non-profit status. Hospitals, physicians and other health care providers have been willing to accept reduced hospital rates and professional rates because of that status. Now, all the value that has been added to CareFirst, will be sold to the highest bidder, leaving vast numbers of people stranded without help in their quest for health care they can afford.

“This request for a merger should be summarily rejected in recognition of the serious backward step in health care it would represent.”

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